

## STATE CORPORATION COMMISSION

AT RICHMOND, JUNE 16, 2020

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APPLICATION OF

ATMOS ENERGY CORPORATION

CASE NO. PUR-2020-00107

For approval of a 2020 SAVE Rider  
Projected Factor

ORDER FOR NOTICE AND COMMENT

On June 1, 2020, Atmos Energy Corporation ("Atmos" or "Company") filed an application ("Application") with the State Corporation Commission ("Commission") for approval of a revised Infrastructure Replacement Current Rate ("Projected Factor") under the Company's Commission-approved Steps to Advance Virginia's Energy Plan ("SAVE Plan").<sup>1</sup> The Company filed this Application in accordance with the Commission's September 24, 2019 Order Approving SAVE Plan and Rider in Case No. PUR-2019-00054.<sup>2</sup>

The Company's total proposed SAVE Plan investment for fiscal year 2021 is approximately \$3,702,383.<sup>3</sup> Based on the proposed SAVE investment for fiscal year 2021, Atmos requests a Projected Factor revenue requirement of \$410,156, effective with the first billing cycle in October 2020.<sup>4</sup>

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<sup>1</sup> The Company states that because this is the first annual update for its second SAVE Plan, it has not yet completed its first year of investment under the SAVE Plan and thus is only seeking approval of its Projected Factor for the upcoming SAVE year. Application at 3 n.4.

<sup>2</sup> *Application of Atmos Energy Corporation, For approval of a SAVE Plan and Rider as provided by Chapter 26 of Title 56 of the Code of Virginia*, Case No. PUR-2019-00054, Doc. Con. Cen. No. 190940117, Order Approving SAVE Plan and Rider (Sept. 24, 2019).

<sup>3</sup> Application Schedule 12b; Application at 3.

<sup>4</sup> Application Schedule 1.

The Company's 2020 SAVE Rider proposed monthly rates by rate schedule are as follows: Residential, \$0.79; Small Commercial & Industrial, \$2.81; Large Commercial & Industrial, \$25.76; Large Transportation, \$101.82; Optional Gas Service, \$76.47; Optional Gas Transportation, \$183.45; Cogen and CNG, \$1.07; and Air Conditioning, \$0.83.<sup>5</sup>

NOW THE COMMISSION, having considered the Company's Application and the applicable law, is of the opinion and finds that this matter should be docketed; that Atmos should provide public notice of its Application; that interested persons should be afforded an opportunity to file comments on the Company's Application and request a hearing; and that the Commission's Staff ("Staff") should investigate the Application and file a report containing the Staff's findings and recommendations ("Staff Report").

The Commission further takes judicial notice of the ongoing public health emergency related to the spread of the coronavirus, or COVID-19, and the declarations of emergency issued at both the state and federal levels.<sup>6</sup> The Commission has taken certain actions, and may take additional actions going forward, that could impact the procedures in this proceeding.<sup>7</sup>

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<sup>5</sup> Application Schedule 17a.

<sup>6</sup> See, e.g., Executive Order No. 51, Declaration of a State of Emergency Due to Novel Coronavirus, COVID-19, issued March 12, 2020, by Governor Ralph S. Northam. See also Executive Order No. 53, Temporary Restrictions on Restaurants, Recreational, Entertainment, Gatherings, Non-Essential Retail Businesses, and Closure of K-12 Schools Due to Novel Coronavirus (COVID-19), issued March 23, 2020, by Governor Ralph S. Northam, and Executive Order No. 55, Temporary Stay at Home Order Due to Novel Coronavirus (COVID-19), issued March 30, 2020, by Governor Ralph S. Northam. These and subsequent Executive Orders related to COVID-19 may be found at: <https://www.governor.virginia.gov/executive-actions/>.

<sup>7</sup> See, e.g., *Commonwealth of Virginia, ex rel. State Corporation Commission, Ex Parte: Electronic Service of Commission Orders*, Case No. CLK-2020-00004, Doc. Con. Cen. No. 200330035, Order Concerning Electronic Service of Commission Orders (Mar. 19, 2020), *extended by* Doc. Con. Cen. No. 200520105, Order Regarding the State Corporation Commission's Revised Operating Procedures During COVID-19 Emergency (May 11, 2020); *Commonwealth of Virginia, ex rel., State Corporation Commission, Ex Parte: Revised Operating Procedures During COVID-19 Emergency*, Case No. CLK-2020-00005, Doc. Con. Cen. No. 200330042, Order Regarding the State Corporation Commission's Revised Operating Procedures During COVID-19 Emergency (Mar. 19, 2020) ("Revised Operating Procedures Order"), *extended by* Doc. Con. Cen. No. 200520105, Order Regarding the State Corporation Commission's Revised Operating Procedures During COVID-19 Emergency (May 11, 2020); *Commonwealth of Virginia, ex rel. State Corporation Commission, Ex Parte: Electronic service among parties*

Consistent with these actions, in regard to the terms of the procedural framework established below, the Commission will, among other things, direct the electronic filing of pleadings unless they contain confidential information, and require electronic service on parties to this proceeding.

Accordingly, IT IS ORDERED THAT:

(1) This matter is docketed as Case No. PUR-2020-00107.

(2) All pleadings in this matter should be submitted electronically to the extent authorized by Rule 5 VAC 5-20-150, *Copies and format*, of the Commission's Rules of Practice and Procedure ("Rules of Practice").<sup>8</sup> Confidential and Extraordinarily Sensitive information shall not be submitted electronically and should comply with 5 VAC 5-20-170, *Confidential information*, of the Rules of Practice. For the duration of the COVID-19 emergency, any person seeking to hand deliver and physically file or submit any pleading or other document shall contact the Clerk's Office Document Control Center at (804) 371-9838 to arrange the delivery.<sup>9</sup>

(3) Pursuant to 5 VAC 5-20-140, *Filing and service*, of the Commission's Rules of Practice, the Commission directs that service on parties and the Staff in this matter shall be accomplished by electronic means. Concerning Confidential or Extraordinarily Sensitive Information, parties and the Staff are instructed to work together to agree upon the manner in which documents containing such information shall be served upon one another, to the extent

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during COVID-19 emergency, Case No. CLK-2020-00007, Doc. Con. Cen. No. 200410009, Order Requiring Electronic Service (Apr. 1, 2020).

<sup>8</sup> 5 VAC 5-20-10 *et seq.*

<sup>9</sup> As noted in the Revised Operating Procedures Order, submissions to the Commission's Clerk's Office via U.S. mail or commercial mail equivalents may not be processed for an indefinite period of time due to the COVID-19 emergency.

practicable, in an electronically protected manner, even if such information is unable to be filed in the Office of the Clerk, so that no party or the Staff is impeded from preparing its case.

(4) As provided by § 12.1-31 of the Code and Rule 5 VAC 5-20-120, *Procedure before hearing examiners*, of the Commission's Rules of Practice, a Hearing Examiner is appointed to rule on any discovery matters that may arise in this proceeding.

(5) On or before July 17, 2020, Atmos shall cause a copy of the following notice to be published as display advertising (not classified) on one (1) occasion in newspapers of general circulation throughout the Company's service territory within the Commonwealth of Virginia:

NOTICE TO THE PUBLIC OF AN APPLICATION BY  
ATMOS ENERGY CORPORATION FOR APPROVAL OF A  
2020 SAVE RIDER PROJECTED FACTOR  
CASE NO. PUR-2020-00107

On June 1, 2020, Atmos Energy Corporation ("Atmos" or "Company") filed an application ("Application") with the State Corporation Commission ("Commission") for approval of a revised Infrastructure Replacement Current Rate ("Projected Factor") under the Company's Commission-approved Steps to Advance Virginia's Energy Plan ("SAVE Plan"). The Company filed this Application in accordance with the Commission's September 24, 2019 Order Approving SAVE Plan and Rider in Case No. PUR-2019-00054.

The Company's total proposed SAVE Plan investment for fiscal year 2021 is approximately \$3,702,383. Based on the proposed SAVE investment for fiscal year 2021, Atmos requests a Projected Factor revenue requirement of \$410,156, effective with the first billing cycle in October 2020.

The Company's 2020 SAVE Rider proposed monthly rates by rate schedule are as follows: Residential, \$0.79; Small Commercial & Industrial, \$2.81; Large Commercial & Industrial, \$25.76; Large Transportation, \$101.82; Optional Gas Service, \$76.47; Optional Gas Transportation, \$183.45; Cogen and CNG, \$1.07; and Air Conditioning, \$0.83.

Interested persons are encouraged to review the Application and supporting documents for the details of these and

other proposals. While the total revenue requirement that may be approved by the Commission is limited to the amount produced by the Company's proposed rates, TAKE NOTICE that the Commission may approve revenues, and adopt rates, fees, charges, tariff revisions, and terms and conditions of service that differ from those appearing in the Application and supporting documents and may apportion revenues among customer classes and/or design rates in a manner differing from that shown in the Application and supporting documents.

The Commission entered an Order for Notice and Comment that, among other things, directed the Company to provide notice to the public and provided interested persons an opportunity to comment on the Company's Application.

Pursuant to 5 VAC 5-20-140, *Filing and service*, of the Commission's Rules of Practice and Procedure ("Rules of Practice"), the Commission has directed that service on parties and the Commission's Staff in this matter shall be accomplished by electronic means.

An electronic copy of the Company's Application may be obtained by submitting a written request to counsel for the Company, Timothy E. Biller, Esquire, Hunton Andrews Kurth, LLP, 951 East Byrd Street, Richmond, Virginia 23219, or [tbiller@huntonAK.com](mailto:tbiller@huntonAK.com). Interested persons also may download unofficial copies of the Application and related documents from the Commission's website:  
<https://scc.virginia.gov/pages/Case-Information>.

On or before July 31, 2020, any interested person may file comments on the Application by following the instructions found on the Commission's website:  
<https://scc.virginia.gov/casecomments/Submit-Public-Comments>. All comments shall refer to Case No. PUR-2020-00107.

On or before July 31, 2020, any interested person or entity may participate as a respondent in this proceeding by filing, with the Clerk of the Commission at:  
<https://scc.virginia.gov/clk/efiling/>, a notice of participation in accordance with the Commission's Rules of Practice. Such notice of participation shall include the email addresses of such parties or their counsel. The respondent simultaneously shall serve a copy of the notice of participation on counsel to the Company. Pursuant to Rule 5 VAC 5-20-80 B, *Participation as a respondent*, of the Commission's Rules of Practice, any notice of participation shall



set forth: (i) a precise statement of the interest of the respondent; (ii) a statement of the specific action sought to the extent then known; and (iii) the factual and legal basis for the action. Any organization, corporation, or government body participating as a respondent must be represented by counsel as required by Rule 5 VAC 5-20-30, *Counsel*, of the Rules of Practice. All filings shall refer to Case No. PUR-2020-00107.

On or before July 31, 2020, any interested person or entity may file, with the Clerk of the Commission at: <https://scc.virginia.gov/clk/efiling/>, a request that the Commission convene a hearing on the Company's Application. Requests for hearing must include the email address of the filer or its counsel along with: (i) a precise statement of the filing party's interest in the proceeding; (ii) a statement of the specific action sought to the extent then known; (iii) a statement of the legal basis for such action; and (iv) a precise statement why the issues raised in the request for hearing cannot be addressed adequately without a hearing. All such filings shall refer to Case No. PUR-2020-00107, and copies thereof simultaneously shall be served on counsel for the Company.

The Company's Application, the Commission's Rules of Practice and the Commission's Order for Notice and Hearing may be viewed at: <https://scc.virginia.gov/pages/Case-Information>.

#### ATMOS ENERGY CORPORATION

(6) On or before July 17, 2020, Atmos shall serve a copy of this Order for Notice and Hearing on the following local officials, to the extent the position exists, in each county, city, and town in which the Company provides service in the Commonwealth of Virginia: the chairman of the board of supervisors of each county; the mayor or manager (or equivalent official) of every city and town; and the county, city, or town attorney. Service shall be made electronically where possible; if electronic service is not possible, service shall be made by either personal delivery or first class mail to the customary place of business or residence of the person served.

(7) An electronic copy of the Company's Application may be obtained by submitting a written request to counsel for the Company, Timothy E. Biller, Esquire, Hunton Andrews Kurth

LLP, 951 East Byrd Street, Richmond, Virginia 23219, or [tbiller@huntonAK.com](mailto:tbiller@huntonAK.com). Interested persons also may download unofficial copies from the Commission's website:

<https://scc.virginia.gov/pages/Case-Information>.

(8) On or before July 31, 2020, any interested person may file comments on the Application by following the instructions found on the Commission's website:

<https://scc.virginia.gov/casecomments/Submit-Public-Comments>. All comments shall refer to Case No. PUR-2020-00107.

(9) On or before July 31, 2020, any interested person or entity may participate as a respondent in this proceeding by filing, with the Clerk of the Commission at:

<https://scc.virginia.gov/clk/efiling/>, a notice of participation in accordance with the Commission's Rules of Practice. Such notice of participation shall include the email addresses of such parties or their counsel. Pursuant to 5 VAC 5-20-80 B, *Participation as a respondent*, of the Commission's Rules of Practice, any notice of participation shall set forth: (i) a precise statement of the interest of the respondent; (ii) a statement of the specific action sought to the extent then known; and (iii) the factual and legal basis for the action. Any organization, corporation, or government body participating as a respondent must be represented by counsel as required by 5 VAC 5-20-30, *Counsel*, of the Rules of Practice. All filings shall refer to Case No. PUR-2020-00107.

(10) On or before July 31, 2020, any interested person or entity may file, with the Clerk of the Commission at: <https://scc.virginia.gov/clk/efiling/>, a request that the Commission convene a hearing on the Company's Application. Requests for hearing must include the email address of the filer or its counsel, along with: (i) a precise statement of the filing party's interest in the proceeding; (ii) a statement of the specific action sought to the extent then known; (iii) a

statement of the legal basis for such action; and (iv) a precise statement why the issues raised in the request for hearing cannot be addressed adequately without a hearing. All such filings shall refer to Case No. PUR-2020-00107.

(11) A copy of any request for hearing and any notice of participation shall be sent to counsel for the Company at the address set forth in Ordering Paragraph (7).

(12) The Staff shall investigate the Application. On or before August 7, 2020, the Staff shall file with the Clerk of the Commission a Staff Report containing its findings and recommendations and shall promptly serve a copy of the same on counsel to the Company and all respondents.

(13) On or before August 14, 2020, Atmos may file with the Clerk of the Commission any response in rebuttal to the Staff Report and any comments filed by interested persons in this proceeding.

(14) On or before July 31, 2020, the Company shall provide the Commission with the proof of notice and service required by Ordering Paragraphs (5) and (6).

(15) The Commission's Rule of Practice 5 VAC 5-20-260, *Interrogatories or requests for production of documents and things*, shall be modified for this proceeding as follows: responses and objections to written interrogatories and requests for production of documents shall be served within four (4) calendar days after receipt of the same. In addition to the service requirements of 5 VAC 5-20-260 of the Rules of Practice, on the day that copies are filed with the Clerk of the Commission, a copy of the interrogatory or request for production shall be served electronically on the party to whom the interrogatory or request for production is directed or the assigned Staff attorney, if the interrogatory or request for production is directed to the



Staff.<sup>10</sup> Except as modified herein, discovery shall be in accordance with Part IV of the Commission's Rules of Practice, 5 VAC 5-20-240 *et seq.*

(15) This matter is continued.

A COPY hereof shall be sent electronically by the Clerk of the Commission to:

Timothy E. Biller, Esquire, Hunton Andrews Kurth, LLP, 951 East Byrd Street, Richmond, Virginia 23219, [tbiller@huntonAK.com](mailto:tbiller@huntonAK.com); and C. Meade Browder, Jr., Senior Assistant Attorney General, Division of Consumer Counsel, Office of the Attorney General, 202 N. 9th Street, 8th Floor, Richmond, Virginia 23219, [mbrowder@oag.state.va.us](mailto:mbrowder@oag.state.va.us).

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<sup>10</sup> The assigned Staff attorney is identified on the Commission's website, <https://scc.virginia.gov/pages/Case-Information>, by clicking "Docket Search," then clicking "Search by Case Information," and entering the case number, PUR-2020-00107 in the appropriate box.